

REMARKS

Reconsideration of the application as amended is respectfully requested.

In the action of April 6, 2006, the examiner rejected claims 1-16 under 35 USC §102 as anticipated by Peters. Applicants respectfully traverse the examiner's rejection relative to the claims as amended.

Peters teaches a system for optimizing an existing financial investment account. The primary flow of interaction and information in the Peters system is between the client and the host server through a distributed computer network (internet). Financial intermediaries (210) are used primarily to execute change orders to an existing portfolio.

In the Peters system, a risk profile is first developed by the host server in response to answers from a user to a questionnaire provided to the client, typically by the host server. The host server then determines the investment risk of the user's current portfolio, mapping the existing portfolio holdings into a set of asset classes, and arriving at an investment risk classification. The host server then compares the resulting investment risk classification of the existing portfolio with the risk profile and suggests changes to the portfolio based thereon. The user then communicates any portfolio change orders to the "financial custodian", either directly or through the host server.

Note that Peters is directed entirely toward optimizing an existing portfolio, where the communication occurs primarily between the client and the host server through the computer network.

This is quite different both in concept and structure from applicants' claimed invention. As set forth in some detail in the application, applicants' system is directed toward assisting financial intermediaries (such as banks) to serve "small investors", which they would not otherwise serve due to financial considerations. To implement this concept, applicants' system includes a host server for the financial service provider and separate associated individual network sites for each financial intermediary, at which the several portions of the system are implemented. The financial intermediaries (e.g. banks) have individual network sites in the present system which are separate from each other and separate from (although linked to) the financial service provider's host site. The individual network site of each financial intermediary in the present system is unique to that

intermediary, and usually constructed to resemble the financial intermediary's own network site. Typically, the client investor will, at a bank's facility, log onto the bank's network site, in the company of a financial representative. They will then link seamlessly from the bank's network site to the associated network site maintained by the financial service provider for that bank.

In applicants' system, the series of questions for developing a risk profile is available to the client at the individual network site of the financial intermediary, as opposed to the Peters system, in which the user fills out the risk questionnaire provided directly to them on their own machine.

The financial service provider then provides an investment recommendation from a plurality of possible investments to the network site of the financial intermediary. Again, there is no teaching or suggestion in Peters of this information being made available at the individual network site of a financial intermediary. In Peters, recommendations of investment changes are typically made directly to the user.

In the third portion of applicants' system, again available at the financial intermediary's network site, an investment application is completed by the client investor, for subsequent transmittal to the financial service provider. The financial service provider then opens and maintains an investment account on behalf of the financial intermediary for the client investor. Peters, being directed toward optimizing an existing portfolio, has no teaching or suggestion relative to opening an investment account at the network site of the financial intermediary, the application being transmitted to the financial service provider, which opens the account.

The actual structure of applicants' system implements the basic concept of their system, which is to provide assistance to financial intermediaries relative to opening and servicing small investment accounts. The service is directed to the financial intermediaries, rather than directly to the client user, as is the case with Peters. In addition, as explained above, applicants' system is for opening new financial accounts, not for optimizing existing portfolios, which is the case with Peters. In applicants' system, the key point is the ability to effectively assist financial intermediaries in opening and managing small investment accounts, typically for their existing customers, which they would not otherwise be able to profitably handle.

Hence, there are substantial differences, both

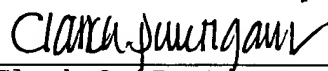
conceptually and structurally, between applicants' and Peters' systems. These differences are clearly set forth in amended claim 1, and hence, claim 1 is allowable over Peters.

Since claims 2-16 depend from claim 1, those claims are also allowable.

In view of the above, allowance of the application is respectfully requested.

This is also to request a one-month extension of time. Enclosed is the required fee of \$60. The Commissioner is authorized to charge any fees or deficiencies or credits to Deposit Account No. 07-1900.

Respectfully submitted,
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